

## College and Universities

### General Fund Comparison to State Budget

<b>Fiscal Year</b>	<b>State Budget</b>	<b>% Chg</b>	<b>College &amp; Universities*</b>	<b>% Chg</b>	<b>% of College &amp; Univ to State Budget</b>	<b>Fall Enrollment FTE**</b>	<b>% Chg</b>
1987	622,435,100	7.2%	90,402,500	5.6%	14.5%	19,629	(1.6%)
1988	658,870,000	5.9%	101,518,100	12.3%	15.4%	20,602	5.0%
1989	699,236,100	6.1%	106,445,700	4.9%	15.2%	21,639	5.0%
1990	784,505,700	12.2%	114,438,700	7.5%	14.6%	23,075	6.6%
1991	911,749,600	16.2%	132,946,900	16.2%	14.6%	24,729	7.2%
1992	996,243,100	9.3%	141,624,800	6.5%	14.2%	26,431	6.9%
1993	1,025,859,900	3.0%	137,638,400	(2.8%)	13.4%	28,067	6.2%
1994	1,098,360,700	7.1%	145,923,500	6.0%	13.3%	28,501	1.5%
1995	1,268,128,600	15.5%	162,862,600	11.6%	12.8%	28,941	1.5%
1996	1,337,541,800	5.5%	169,341,400	4.0%	12.7%	29,185	0.8%
1997	1,391,773,100	4.1%	173,451,700	2.4%	12.5%	29,174	(0.0%)
1998	1,446,401,100	3.9%	178,413,700	2.9%	12.3%	29,026	(0.5%)
1999	1,609,676,100	11.3%	193,134,300	8.3%	12.0%	29,556	1.8%
2000	1,679,768,900	4.4%	202,726,900	5.0%	12.1%	30,165	2.1%
2001	1,828,502,900	8.9%	212,306,100	4.7%	11.6%	30,805	2.1%
2002	1,979,451,500	8.3%	228,925,300	7.8%	11.6%	32,333	5.0%
2003	1,925,457,700	(2.7%)	206,930,000	(9.6%)	10.7%	33,390	3.3%
2004	1,987,198,800	3.2%	217,953,500	5.3%	11.0%	34,916	4.6%
2005	2,102,113,300	5.8%	225,598,900	3.5%	10.7%	34,965	0.1%
2006	2,180,928,300	3.7%	228,934,100	1.5%	10.5%	34,893	(0.2%)
<b>Average Annual Change</b>		<b>6.9%</b>		<b>5.2%</b>			<b>2.2%</b>

\* Reflects actual expenditures except for the current fiscal year which is the original appropriation

\*\* FTE represents Full-Time Equivalent Students.

The average annual growth rate in state General Fund appropriations for Higher Education from 1987 to 2006 has been 5.2%. Higher education enrollment, as measured by both full-time equivalent students and headcount, has grown about 2.2% annually during this same time period.

In fiscal year 1987, Higher Education received about 14.5% of the state's General Fund budget. Today, twenty years later, that proportion has dropped to about 10.5%. In today's dollars each percentage point is equal to about \$20 million.

To see a 22-year side-by-side comparison of all major components of state government, and how each segment has changed over the years in terms of their proportion of the General Fund, refer to page 28.

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Analyst: Freeman

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2006 Original Appropriation</b>	<b>3,672.55</b>	<b>228,934,100</b>	<b>354,361,400</b>	<b>3,672.55</b>	<b>228,934,100</b>	<b>354,361,400</b>
Reappropriations	0.00	0	43,894,600	0.00	0	43,894,600
HB 395 One-time 1% Salary Increase	0.00	2,376,400	2,376,400	0.00	2,376,400	2,376,400
Omnibus CEC Supplemental	0.00	0	0	0.00	2,822,400	2,822,400
Lump Sum Adjustment	0.00	0	0	0.00	0	0
<b>FY 2006 Total Appropriation</b>	<b>3,672.55</b>	<b>231,310,500</b>	<b>400,632,400</b>	<b>3,672.55</b>	<b>234,132,900</b>	<b>403,454,800</b>
FTP & Fund Adjustment	44.94	0	8,164,100	44.94	0	8,164,100
<b>FY 2006 Estimated Expenditures</b>	<b>3,717.49</b>	<b>231,310,500</b>	<b>408,796,500</b>	<b>3,717.49</b>	<b>234,132,900</b>	<b>411,618,900</b>
Removal of One-Time Expenditures	0.00	(2,376,400)	(50,518,900)	0.00	(2,376,400)	(50,518,900)
Endowment Fund Reallocation	0.00	954,700	0	0.00	954,700	0
<b>FY 2007 Base</b>	<b>3,717.49</b>	<b>229,888,800</b>	<b>358,277,600</b>	<b>3,717.49</b>	<b>232,711,200</b>	<b>361,100,000</b>
Benefit Costs	0.00	1,953,600	1,953,600	0.00	(2,497,900)	(3,317,900)
Inflationary Adjustments	0.00	1,318,400	1,318,400	0.00	987,500	1,318,400
Replacement Items	0.00	6,431,700	6,431,700	0.00	492,400	6,360,200
Statewide Cost Allocation	0.00	137,900	137,900	0.00	137,900	137,900
Change in Employee Compensation	0.00	2,443,600	2,443,600	0.00	4,019,400	4,508,500
Enrollment Workload Adj. & Utilities	0.00	1,695,000	1,695,000	0.00	1,695,000	1,695,000
<b>FY 2007 Program Maintenance</b>	<b>3,717.49</b>	<b>243,869,000</b>	<b>372,257,800</b>	<b>3,717.49</b>	<b>237,545,500</b>	<b>371,802,100</b>
1. Occupancy Costs	3.85	462,600	491,700	2.85	411,400	411,400
2. Salary Competitiveness	0.00	7,357,700	7,443,700	0.00	0	0
3. Funding Equity	13.00	2,184,000	2,184,000	0.00	0	0
4. New Staff and Instruction Pgms	41.00	5,958,300	5,998,700	0.00	0	0
5. Physical Plant Maintenance	0.00	15,000,000	15,000,000	0.00	0	0
6. Operating & Technology Support	3.50	4,928,800	5,022,100	0.00	0	0
7. Library Support	2.50	901,200	901,200	0.00	0	0
8. Endowment Funds Adjustment	0.00	959,900	0	0.00	959,900	0
9. Governor's Initiative - Science & Tech	0.00	0	0	0.00	1,000,000	1,000,000
Lump Sum Adjustment	0.00	0	0	0.00	0	0
<b>FY 2007 Total</b>	<b>3,781.34</b>	<b>281,621,500</b>	<b>409,299,200</b>	<b>3,720.34</b>	<b>239,916,800</b>	<b>373,213,500</b>
Change from Original Appropriation	108.79	52,687,400	54,937,800	47.79	10,982,700	18,852,100
% Change from Original Appropriation		23.0%	15.5%		4.8%	5.3%

# College and Universities

## Terms and Definitions

**Appropriated & Non-appropriated Funds:** The Legislature only appropriates about 41% of the funds that support the operating budgets of higher education. General Funds represent about 26% of the total operating budgets, appropriated student fees represent about 14%, and endowment earnings represent about 1% of the total (see Endowment Fund Investment Board agency profile in this book for a history of endowment distributions). Operating funds that are not included in the appropriation represent about 59% of the total operating budgets for the four institutions:

**Grants, Gifts and Contracts:** These funds include federal and state grants, private gifts and competitively bid contracts for specific deliverables, and Federal Direct Student Loan funds. (34% of total operating budgets)

**Auxiliary Enterprises:** These funds are institutional business enterprises such as bookstores, student housing, intercollegiate athletics, student unions, etc. (13% of total)

**Institutional Accounts:** There are literally thousands of typically small activities that charge fees or sell services (e.g. copy machines, research labs, ag sales). (13% of total)

**Consolidated Appropriation:** Although each of the four year institutions prepare and submit individual budget requests to the State Board of Education, the Board's recommendation to the Governor and the Legislature is a single consolidated budget. The Legislature traditionally has provided one consolidated appropriation for all four institutions, and then the Board distributes that appropriation by formula to each college and university.

**Enrollment Workload Adjustment:** Each year there is a budget request to keep pace with enrollment growth at the four institutions. Enrollment Workload Adjustment (EWA) is not based on student enrollment per se, but is a calculation based on a three-year rolling average of the increase in credit hours, weighted by course level (lower division, upper division, masters, doctoral and law) and also weighted by discipline.

**Funding Equity:** In 2001, the Legislature prompted the State Board of Education to examine their funding formula for equity of state funding distribution among Idaho's four-year institutions of higher education. Through a consultant, the Board concluded, among other things, that state funds for similar students in similar programs were not distributed equitably between the four schools. Rather than redistribute existing resources, the Board has historically requested new funding totaling \$7,920,000 over five years to address "base instructional equity for BSU and ISU, and \$3,000,000 for a "science and technology adjustment", of which 77% would go to UI. No additional funding was ever provided for this purpose by the legislature, and in 2005, the appropriation for the College and Universities included legislative intent language directing the State Board of Education to complete the "process within existing and future appropriations".

**Occupancy Costs:** Those costs associated with occupying new, major general education buildings on campus. These costs include maintenance (1.5% of construction costs), custodial (1/2 position per 13,000 gross square feet), utility costs (\$1.75 per sq ft.) and other costs associated with IT maintenance, security and safety (77¢ per gross sq ft).

### Student Fees

**Matriculation Fees:** At the University of Idaho, this reflects the fees charged to students for the maintenance and operation of the institution's physical plant. UI's constitutional charter and Idaho Code prohibit charging full-time, resident students for the cost of instruction (Idaho Code §33-3717).

**Tuition:** In 2005, the legislature passed H231 which amended state law to allow tuition and fees to be collected by BSU, ISU and LCSC to cover the costs of education, including the cost of instruction (Idaho Code §33-3717A).

**Activity Fees:** All resident and non-resident students are charged a variety of fees, where applicable, including part-time fees, graduate fees, professional fees (law, medicine, architecture, etc.) summer session fees and others. These fees are unrestricted and can be used to support the primary objectives of the institution for instruction, research, extension, public service and programs that support those objectives.

## College & Universities

Selected Measures	FY 2003	FY 2004	FY 2005	FY 2006	Ave. Ann. Chg
<b>1. Fall Academic Enrollment: Full-time Equivalent*</b>					
Boise State University	11,909	12,615	12,607	12,806	2.5%
Idaho State University	8,939	9,189	9,191	9,170	0.9%
University of Idaho	10,672	11,073	11,040	10,791	0.4%
Lewis-Clark State College	<u>1,870</u>	<u>2,039</u>	<u>2,127</u>	<u>2,126</u>	<u>4.4%</u>
<b>Total</b>	<b>33,390</b>	<b>34,916</b>	<b>34,965</b>	<b>34,893</b>	<b>1.5%</b>
<b>2. Fall Academic Enrollment: Headcount (full and part time students)</b>					
Boise State University	16,581	17,245	17,358	17,614	2.0%
Idaho State University	11,935	12,218	12,551	12,762	2.3%
University of Idaho	12,423	12,894	12,824	12,476	0.2%
Lewis-Clark State College	<u>2,363</u>	<u>2,637</u>	<u>2,555</u>	<u>2,653</u>	<u>4.1%</u>
<b>Total</b>	<b>43,302</b>	<b>44,994</b>	<b>45,288</b>	<b>45,505</b>	<b>1.7%</b>
<b>3. Annual Undergraduate Resident Student Fees</b>					
Boise State University	\$2,984	\$3,251	\$3,520	\$3,872	9.1%
Idaho State University	3,136	3,448	3,700	4,000	8.5%
University of Idaho	3,044	3,348	3,632	3,968	9.2%
Lewis-Clark State College	<u>2,852</u>	<u>3,126</u>	<u>3,392</u>	<u>3,714</u>	<u>9.2%</u>
<b>Average</b>	<b>\$3,004</b>	<b>\$3,293</b>	<b>\$3,561</b>	<b>\$3,889</b>	<b>9.0%</b>
<b>4. Combined Annual Operating Budgets**</b>					
<b>Appropriated Funds</b>					
State General Fund	\$210,518,800	\$214,956,100	\$220,322,200	\$225,894,100	2.4%
State Endowment Funds	13,635,900	11,964,700	10,020,500	9,519,600	-11.2%
Student Fees	82,105,800	97,077,200	108,710,900	119,693,300	13.4%
27th Pay Period	N/A	N/A	N/A	4,247,900	N/A
<b>Subtotal</b>	<b>\$306,260,500</b>	<b>\$323,998,000</b>	<b>\$339,053,600</b>	<b>\$359,354,900</b>	<b>5.5%</b>
<b>Non-appropriated Funds</b>					
Other Student Fees	\$48,949,800	\$51,743,000	\$51,799,900	\$49,442,200	0.4%
Fed Grants & Contracts	178,913,300	202,523,100	228,699,200	235,123,100	9.6%
State Grants & Contracts	18,708,600	27,032,800	33,309,200	26,981,400	16.2%
Gifts, Grants & Contracts	35,616,700	31,506,700	35,258,600	41,039,600	5.6%
Sales & Serv., Edu. Act.	42,633,500	41,032,300	40,187,800	41,340,800	-1.0%
Auxilliary Enterprises	77,991,500	80,666,200	89,413,000	95,170,600	6.9%
Indirect Costs	8,752,000	12,821,900	14,806,400	14,866,700	20.8%
All Other	10,749,100	10,864,100	11,187,300	9,034,600	-5.1%
<b>Subtotal</b>	<b>\$422,314,500</b>	<b>\$458,190,100</b>	<b>\$504,661,400</b>	<b>\$512,999,000</b>	<b>6.8%</b>
<b>Grand Total all Funds</b>	<b>\$728,575,000</b>	<b>\$782,188,100</b>	<b>\$843,715,000</b>	<b>\$872,353,900</b>	<b>6.2%</b>

\* 12 credits constitutes full-time enrollment.

\*\* These operating budgets do not include funding related to Professional-Technical Education or Special Programs.

Note: Operating budget are spending plans developed prior to the beginning of each fiscal year and are approved by the State Board of Education. Since student fee increases are typically approved by the Board after the College & Universities budget has been set by the legislature, the operating budgets will have more spending authority for student fees than the original appropriation.